

collective memory of the way disabled veterans were treated after previous conflicts, particularly Vietnam.

"Who runs the country now? It's the Vietnam era and they vowed never again, and so you got all the corporations, every non-profit, all the associations and lobby arms doing everything they can," for this generation of soldiers, Davis said.

Contractors like ManTech have another incentive to recruit former soldiers, regardless of disability: Many have security clearances that are in short supply in the workforce, but necessary in order to do an increasing number of government projects.

"If you have a security clearance, you are miles ahead of a person applying to a company without a security clearance," said Edward F. Lawton, head of the Washington area chapter of the American Military Retirees Association. "And even if you're missing a limb, that doesn't mean you're incapable of supporting the military through a company."

But it may mean that jobs are more readily available for soldiers with technical skills and for those willing to work in the Washington area, where many government contractors are based.

That proved to be the case for Brian Garvey, an Army Captain who met his future employer at the Walter Reed career fair.

The platoon leader and father of two young girls was deployed to Iraq last March and for months worked at the Baghdad airport, processing human resources files for soldiers stationed throughout that country.

On Sept. 18, Garvey's unit was assigned a different task—to show a contractor a damaged fence on a highway bridge between the airport and the heavily guarded Green Zone. After assessing the damage, Garvey had just given the signal for his soldiers to return to their vehicles when a suicide bomber drove a car onto the bridge and detonated an explosive—killing two of the crew and wounding 13.

Three days later Garvey was at Walter Reed, recovering from a series of surgeries to repair his hand and remove dozens of pieces of shrapnel from his skin.

"I would say a lot of the time was spent thinking 'What am I going to do? What is the best avenue for my family,'" Garvey recalled of his four-month stay at the hospital. "Up to this point I had been somewhat selfish. It was what I wanted to do. My wife and kids had been making the sacrifices."

Garvey had already been thinking about looking for a private-sector job when he stopped by the career fair, hoping to pick up a few business cards and some ideas. Like most of the 150 soldiers crammed into the hall, Garvey was without a résumé or firm career goals.

He grabbed brochures from such big contractors as Northrop Grumman Corp. and Raytheon Co., but spent the longest time talking to a representative from Alliant Techsystems Inc. (ATK), a Minnesota company that makes weapon systems and munitions. He filled out a card with his basic information and three days later got an e-mail from ATK, asking for a phone interview.

A day-long interview at the company's Elkton, Md., site followed; just before Christmas, Garvey was offered a job. Soon he'll become a program manager at ATK, acting as a liaison between the company's engineers and its primary client—the U.S. military.

"Mentally it does me a lot of good, knowing that I'm not out there searching frantically for a job," said Garvey, who is now back at Fort Hood, waiting for his unit to rotate back from Iraq in March before he will be discharged. "It gives me a sense of security. I know what my future has to offer."

That sense of the future is what a lot of recently wounded soldiers are looking for, said

Lehowicz, the VA vocational counselor. When they first return from the battlefield, many focus solely on getting better to return to their unit, she said, but over time they often start thinking about other options.

Moore, the Army Captain, says thoughts of his future now absorb much of his day at Walter Reed. Some days he thinks he would like to stay in the military, to resume life with his friends and become an example for other amputees. But some of the job offers have topped \$70,000 and he worries this opportunity may not come around again.

"Veterans are getting good jobs right now," said Moore, who will likely remain in the hospital through March. He recently had a second interview with FHN USA, where he is up for a position as deputy director of military operations.

"I'm not sure if I stay in [the Army] for another five years, if the jobs will still be here."

#### MEDICAID DRUG REBATE PROGRAM

Mr. GRASSLEY. Mr. President, I am taking this opportunity to talk about the mess we have in the Medicaid Program, a mess that does not properly account for billions of taxpayer dollars. First, allow me to remind everyone about a report released last summer by the Government Accountability Office, GAO. That report on Medicaid Program integrity found that Medicaid's size and diversity made it vulnerable to fraud, waste and abuse. Further, the GAO found that the Centers for Medicare & Medicaid Service, CMS, allocated only \$26,000 and only eight employees to work on Medicaid program integrity.

As I said at the time, it does not make sense for CMS to invest so little in Federal oversight when so many Federal taxpayer dollars are at stake. If one considers that Medicaid has surpassed Medicare as the single largest Government health program in the United States, it makes no sense at all. The Congressional Budget Office projects the Federal share of total Medicaid payments for Fiscal Year 2005 at greater than \$183 billion. Medicaid's vulnerability to fraud, waste and abuse have also ranked it on the GAO's list of high-risk programs for the past 2 years.

The Medicaid Program continues to pay too much for prescription drugs. CMS estimated that Medicaid expenditures for prescription drugs in Calendar Year 2003 totaled more than \$31 billion, triple the \$9.4 billion spent in 1994. Each year drug companies pay approximately \$6 billion in rebates.

Today, the GAO released a damning report on Medicaid drug spending. Congress established the Medicaid drug rebate program in 1990 to help control spending on drugs. Note that the word choice and intent here was control, not out of control. It should come as no surprise that the GAO's report shows that the drug program has been and continues to be badly mismanaged.

The report—requested by Congressman WAXMAN and me—identified fundamental problems in the program.

The mismanagement has been bipartisan and has spanned multiple administrations. According to the GAO, it is a program virtually without regulation. CMS has been sitting on draft regulations since 1995 a decade ago.

It is also a program virtually without oversight. The GAO found that the Office of Inspector General has issued only four audit reports on drug-company reported prices since the inception of the program. Of course, the OIG says in its defense that its efforts have been hampered by unclear CMS program guidance and a lack of documentation by drug companies.

According to the GAO, even when the OIG has managed to identify problems related to the drug companies' reported prices and methodologies for price reporting, CMS has not done much of anything to resolve them.

The drug rebate program is governed by a contractual agreement between the States and each drug company that wants to participate in Medicaid. One of the things that boggles the mind is that this contract allows drug companies to rely upon reasonable assumptions."

Each drug company may craft its own "assumptions" as long as they are consistent with the "intent" of the law. Consequently, because drug companies can pick their own methods, they in effect set their own prices and amount of rebates they pay.

According to the GAO, "CMS does not generally review the methods and underlying assumptions that [drug companies] use to determine [the reported prices], even though these methods and assumptions can have a substantial effect on rebates."

Furthermore, quoting the GAO again, "CMS sometimes identifies price reporting errors . . . but does not follow up with [drug companies] to verify that errors have been corrected."

In sum, the GAO report confirms that neither CMS nor the OIG know the extent to which Medicaid overpays for prescription drugs because the program lacks effective management and oversight. A worse state of affairs is not likely. Drug companies have been profiting for the past years on Medicaid drug pricing. We are dealing with a system that unnecessarily costs taxpayers untold hundreds of millions A not billions of dollars annually. The Medicaid drug rebate program is quite simply a mess—a Medicaid mess.

I urge my colleagues to consider this GAO report and its recommendations.

#### ADDITIONAL STATEMENTS

##### IN MEMORIAM TO FRANK SOUZA

• Mrs. BOXER. Mr. President, I take this opportunity to honor the memory of one of California's great labor leaders and dedicated social justice activists, Frank Souza. Frank passed away on February 19, 2005. He was 79 years old.